

Wisconsin Ag Connection
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State Farm Groups Back CAFTA Agreement

Seven Wisconsin agriculture groups are calling on Congress to support the Central America-Dominican Republic Free Trade Agreement. A coalition made up of the Wisconsin Corn Growers Association, Wisconsin Soybean Association, Wisconsin Pork Association, Wisconsin Cattlemen's Association, Wisconsin Muck Farmers Association, Dairy Business Association, and Wisconsin Farm Bureau Federation sent a letter to the state's House and Senate members this week, saying the CAFTA-DR agreement would reduce tariffs on almost all U.S. products exported to these nations zero percent after full implementation.

"We think a vote for CAFTA-DR is a vote to give American farmers trade reciprocity," the groups said in the letter.

Another way state producers would benefit is because the agreement increases trade to countries by selling feed grains, livestock genetics, poultry, food products and high value dairy products to these countries. Currently, U.S. tariffs on most of the food and agricultural products imported from the six countries are already zero, while tariffs on U.S. food and agricultural products average 11 percent, but range as high as 150 percent or more on sensitive products.

The American Farm Bureau Federation did an economic analysis of the benefit of CAFTA-DR in western Wisconsin which showed an \$8.8 million export potential. The analysis showed this area would likely have increased exports of dairy products of \$716,000, beef \$677,000, poultry \$668,000, corn \$600,000, and soybeans \$460,000. Other agricultural commodity exports could increase \$1.2 million. The potential for processed foods is \$4.4 million.

The agreement was also endorsed by all the former living USDA agriculture secretaries, which includes Ann Veneman, Dan Glickman, Mike Espy, Clayton Yuetter, John Block and Bob Bergland.